CTPAT Bulletin
Suspension, Removal, Appeals, and Reinstatement Processes

Last Updated: August 1, 2021

The Customs Trade Partnership Against Terrorism (CTPAT) program is one layer in U.S. Customs and Border Protection's (CBP) multi-layered cargo enforcement strategy. Through this program, CBP works with the trade community to strengthen international supply chains and improve U.S. border security.

The vast majority of CTPAT Partners (Partners) have consistently and effectively demonstrated high levels of compliance with the program requirements to secure their international supply chains. In many cases, Partners have exceeded the program's expectations, demonstrating best practices by implementing innovative approaches to supply chain security challenges. However, in instances where Partners have not met the requirements of the program, action must be taken to correct deficiencies or remove the noncompliant Partner. In most cases, the CTPAT program does not arbitrarily suspend or remove a Partner from the program, but will try to make every effort to work with the Partner to achieve required levels of compliance.

The CTPAT program was codified into law by the Security and Accountability for Every Port Act of 2006 (SAFE Port Act). This law imposed strict oversight requirements on CBP, including requiring CTPAT to suspend or remove program benefits to any Partner that fails to meet program requirements (SEC. 217 (a) (b)). Reasons for suspending/removing a Partner's benefits include, but are not limited to, failure to: adhere to the CTPAT Partner Agreement to Voluntarily Participate; meet the minimum security criteria; meet eligibility requirements; and comply with other rules, laws, and regulations.

Headquarters' management personnel and CTPAT Field Offices are fully engaged in the suspension, removal, appeals, and reinstatement of Partners. The actions taken during the course of these processes are clearly defined by Standard Operating Procedures, approved by the program's director, and are developed in accordance with the SAFE Port Act. The following FAQs are offered to increase the trade community's understanding of CTPAT procedures for suspension, removal, appeal, and reinstatement.

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Security Breaches, Incidents, Failure to Comply With Program Requirements, and Post Incident Analysis (PIA)

Will I be automatically suspended or removed from the program if I fail to comply with program requirements?

CTPAT is committed to working with its Partners to meet program requirements. Outreach efforts, to the extent possible, will be made to Partners prior to taking an action to suspend or remove a Partner (See Suspension and Removal FAQs). However, in accordance with the SAFE Port Act, the program may take action to remove or suspend a Partner in order to protect the national security of the U.S.

If a security incident occurs in my supply chain, what actions will the CTPAT program take?

1. The program will conduct a thorough review of the incident, request information and documentation relating to the incident, and may conduct a PIA site visit;

2. The Partner may experience an immediate loss of benefits (e.g., use of FAST lane) and may maintain their "Certified" account status for Status Verification Interface (SVI) monitoring purposes, pending the outcome of the review.

3. After the review is conducted, the following may occur:

    a. No change to a Partner's benefits or status.

    b. Partner's benefits (e.g., use of FAST Lane) may be suspended from the CTPAT program, to include a change of account status (SVI), and loss of benefits (See Suspension and Reinstatement FAQs).

    c. Partner may be removed from the program for a specified period of time and given an opportunity to appeal the decision in accordance with the SAFE Port Act (See Removal and Appeals FAQs).

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Suspensions

What leads to a Partner being suspended?

A suspension is a temporary loss of a Partner's program benefits. Suspensions can stem from failure to adhere to the CTPAT Partner agreement; failure to meet the minimum security criteria; and/or failure to meet eligibility requirements, including vetting and/or a security breach in the Partner's supply chain. The specific reason(s) for the suspension will be stated in the Partner's Suspension Letter.

Will I be immediately suspended if I report a security breach/incident within my supply chain prior to CBP's discovery?

CTPAT is committed to working with its Partners to secure the international supply chain through cooperation and information sharing. Procedures for reporting suspicious activities or anomalies to law enforcement are among the minimum security criteria, which Partners must demonstrate compliance. Reporting a breach would result in an immediate review of the totality of circumstances. Self-reporting of breaches or suspicions of illegal activity prior to discovery, by CBP, demonstrates that the Partner's security procedures are functioning.

Based on the circumstances of the breach, a Partner may be suspended before or after the full review is conducted. Should the review identify the Partner failed to meet the minimum security criteria, follow its own established security procedures, or adequately address the security vulnerabilities that led to the security breach, a suspension may ensue or be upheld.

Will I be immediately suspended if I experience a security breach within my supply chain that is discovered by CBP?

Typically, the program will not immediately suspend a Partner if a security breach occurs. Immediate suspensions are determined on a case-by-case basis. Many factors are taken into consideration prior to an immediate suspension. Factors may include, but are not limited to: threats to national security; the Partner's lack of adherence to the minimum security criteria; poor compliance in completing annual self-assessments; prior validation findings; or prior incidents/violations that may point to a pattern of non-compliance. Additionally, the Partner's swift and proactive response to the security breach, including immediate reporting to CBP and/or the assigned Supply Chain Security Specialist (SCSS), creating a corrective action plan, and submitting internal reports of investigation are positive factors that are considered when making a decision on whether to suspend. A review is almost always conducted by CTPAT prior to taking an action to suspend a Partner in order to determine how and why the breach occurred.

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How long will I be suspended?

The duration of a suspension is determined on a case-by-case basis. The Suspension Letter will include time frames to take corrective actions.

How will I be notified if I am suspended?

The Partner will receive a letter and/or email. The Suspension Letter will clearly articulate the reasons for the suspension and will include requirements the Partner must meet to be reinstated in the program. The Partner is responsible for ensuring that all address and contact information in the CTPAT Portal (Portal) is current to ensure proper notification.

Who do I contact with questions regarding the suspension?

The Suspension Letter will specify a CTPAT point of contact to assist Partners throughout the suspension process.

What if I do not meet the requirements specified in the Suspension Letter?

CTPAT is committed to working with its Partners to achieve high levels of compliance with the CTPAT minimum security criteria and program requirements, and will make every effort to collaborate with Partners on how requirements can be met based on the Partner's business model. However, meeting the CTPAT program requirements, which have been established in cooperation with the Commercial Operations Advisory Committee (COAC), is necessary to remain a Partner in the program. Failure to meet the requirements of the Suspension Letter may result in removal.

What happens to my CTPAT benefits when I am suspended?

Once a determination has been made to suspend a Partner, benefits such as use of the FAST Lane, reduced inspection rates for security purposes, "front of the line" inspection privileges will be lost, and will display as "Not Certified" for Partners monitoring your company's status via the SVI. Suspended Partners will still have Portal access, are permitted to attend training and seminars, and receive informational and training bulletins.

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What is a corrective action plan?

A corrective action plan clearly outlines the measures the Partner will take to remedy the gaps, vulnerabilities, and/or weaknesses identified during the review. The corrective action plan addresses the actions required to be in compliance with the CTPAT program.

Removals

What would cause a Partner to be removed from the CTPAT program?

A removal is the result of a Partner's failure to follow actions required in order to maintain membership in the program. A removal from the program generally occurs following a suspension. However, in accordance with the SAFE Port Act, the program may take immediate action to remove a Partner in order to protect the national security of the U.S.

What is the difference between a removal and a suspension?

A suspension is a temporary loss of benefits from the CTPAT program. A removal is a final action the CTPAT program takes as a last resort when it has been determined a Partner is unable or unwilling to meet or comply with CTPAT program requirements.

What is the duration of a removal from CTPAT?

The duration of a removal is determined on a case-by-case basis. The Removal Letter will specify the amount of time for the removal.

How will I be notified of the removal?

The Partner will receive a letter and/or email. The Removal Letter will clearly articulate the reasons for the removal. The Partner is responsible for ensuring that all address and contact information in the Portal is current to ensure proper notification.

Who do I contact with questions regarding the removal?

The Removal Letter will specify a CTPAT point of contact.

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What if I do not agree with the removal?

In accordance with the SAFE Port Act, the Partner may appeal the removal decision. (See Appeals FAQ).

What happens to my CTPAT benefits when I am removed?

Once a determination has been made to remove a Partner, benefits such as use of the FAST Lane, reduced inspection rates for security purposes, and "front of the line" inspection privileges will be permanently removed. Removed Partners will no longer have Portal access, and will display as "Not Certified" for Partners monitoring your company's status via the SVI.

Will I be immediately removed if I report a security breach/incident within my supply chain prior to CBP's discovery?

CTPAT is committed to working with its Partners to secure the international supply chain through cooperation and information sharing. Procedures for reporting suspicious activities to law enforcement are among the minimum security criteria, which Partners must demonstrate compliance. Reporting a breach would result in an immediate review of the totality of circumstances. Self-reporting of breaches or suspicions of illegal activity prior to discovery by CBP demonstrates that the Partner's security procedures are functioning. A Partner may be removed after the review is conducted. Should the review identify the Partner failed to meet the minimum security criteria, follow its own established security procedures, or adequately address the security vulnerabilities that lead to the security breach, a removal may follow.

Will I be immediately removed if I experience a security breach within my supply chain that is discovered by CBP?

Typically, the program will not immediately remove a Partner if a security breach occurs. However, immediate removals can occur on a case-by-case basis. Suspensions will typically precede removals. Many factors are taken into consideration prior to an immediate removal. Factors may include, but are not limited to: threats to national security, the Partner's lack of adherence to the minimum security criteria; prior validation findings; or prior incidents/violations that may point to a pattern of non-compliance. Additionally, the Partner's swift and proactive response to the security breach, including immediate reporting to CBP and/or the assigned SCSS, and submitting internal reports of investigation are positive factors that are considered when making a decision on whether to remove a Partner. A review is almost always conducted by CTPAT prior to taking an action to remove a Partner in order to determine how and why the breach occurred.

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How long will I be removed? Will I be able to reapply?

The duration of a removal is determined on a case-by-case basis. The Removal Letter will state when your company is eligible to reapply.

Ineligible Determination

What would make me ineligible to no longer participate in the program?

Eligibility requirements were jointly developed by the CTPAT program and the Commercial Operations Advisory Committee (COAC). This committee advises the Secretaries of the Department of the Treasury and the Department of Homeland Security (DHS) on the commercial operations of U.S. Customs and Border Protection and related DHS functions.

When a Partner no longer meets the published eligibility requirements for their business sector, they are deemed ineligible to participate in the program. A Partner must continue to meet eligibility requirements to remain part of the program. For example, if during a review of the Partner's account the assigned SCSS finds that the importer Partner no longer holds a continuous bond, the Partner is deemed ineligible to participate in the program. The SCSS will conduct outreach to the Partner prior to any actions being taken on their account.

When are Partners reviewed for program eligibility?

A review of all Partner accounts is conducted at a minimum of once a year. At that time, the assigned SCSS will review the Partner for eligibility.

What should I do if I receive a notification I am no longer eligible to participate in the CTPAT Program?

The notification letter will specify the reason(s) you are no longer eligible to participate and provide a specific time frame to respond to the ineligible determination. You should follow the steps outlined in the letter and respond in a timely manner.

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Appeals

What is an appeal?

An appeal is a step the Partner takes toward reinstatement to the CTPAT program. The appeal must be in writing and address the issues outlined in the Suspension or Removal Letter.

What governs the appeal process?

The SAFE Port Act of 2006 is the applicable statute for the appeals process. Section 217 (c) (1) of the SAFE Port Act gives the Partner a total of 90 days to appeal an action taken by the CTPAT Program to deny a Partner's benefits for failure to meet the supply chain security requirements of the program. Section 217 (c) (2) of the SAFE Port Act limits the right of appeal to 30 days, if it has been determined the Partner has provided false or misleading information during the validation process.

In order to work with and assist the Partner in achieving compliance prior to final removal from the program, the Partner is generally placed in a suspended status. If no response or an inadequate response is received, the Partner is then referred for removal to the CTPAT Headquarters Office.

How am I notified of my right to appeal/respond to a suspension or removal?

The Suspension or Removal Letter will notify the Partner of its right to appeal in accordance with the SAFE Port Act. The letter will inform the Partner of why the action has been taken and the time frame the Partner has to respond.

How do I appeal a suspension?

In accordance with the SAFE Port Act, the requirements and time frames that a Partner must meet are specified in the Suspension Letter. Appeal methods may include, but are not limited to: providing evidence of completed actions required; completing validation responses; completing security profile updates; cooperating in reviews of security breaches; and/or providing other documented evidence as requested by CTPAT.

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How do I appeal a removal or suspension?

In accordance with the SAFE Port Act, the Removal Letter will inform the Partner of why the action has been taken and the time frame the Partner has to respond to the appeal. The appeal must be in writing and address the issues outlined in the Removal Letter. Appeals can be sent to ctpatappeals@cbp.dhs.gov.

What must an appeal of a suspension or removal include?

The appeal must include the reasons why the Partner believes they have met the CTPAT program requirements and/or why the Partner should remain in the program. All corrective action plans and actions taken by the Partner to remedy the cause of the suspension or removal should be included with the appeal.

When will I be notified of the result of the appeal to my suspension or removal?

The SAFE Port Act requires the CTPAT program to make a decision on the Partner's appeal within 180 calendar days from the date on which the appeal is filed. The appeal review time frame begins on the date the appeal is received from the Partner by CTPAT. The Partner will be notified in writing of the result of the appeal to the suspension or removal.

If the appeal to my suspension is granted, when will my benefits be reinstated?

When CTPAT management has determined a Partner has met all necessary requirements for reinstatement of benefits, the Partner may be reinstated. The date of the Reinstatement Letter is the date that benefits are reactivated.

Who handles appeals in the CTPAT program?

Currently, the Executive Director of Cargo and Conveyance Security in Washington, D.C. will handle all suspension and removal appeals.

What happens if my appeal is granted?

If a suspension or removal appeal is granted, the Partner may be either "Conditionally Reinstated" or "Fully Reinstated." (See Reinstatements FAQ)

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What if I miss the appeal deadline?

In accordance with the SAFE Port Act, appeals submitted after deadlines specified in the Suspension/Removal Letter, will not be accepted.

Reinstatement

What is a conditional reinstatement?

A Partner may be "conditionally reinstated" if further follow-up is required by the CTPAT program to ensure the Partner remains in compliance with program requirements. The Reinstatement Letter will contain the conditions of the reinstatement that must be met in order to remain a Partner, in good standing, in the program.

What is a full reinstatement?

A Partner may be fully reinstated if they have met all of the conditions or requirements contained in their Suspension/Removal Letter.

What if I fail to meet the conditions of the reinstatement within the established time frames?

Reasonable time frames for actions to be taken will be determined on a case-by-case basis depending upon the conditions of reinstatement. It is critical to continue to communicate with your assigned SCSS. Furthermore, notify your SCSS of your progress and efforts to meet the conditions of the reinstatement, and if an extension is needed, it should be requested in writing. Many factors are taken into consideration prior to granting an extension. If the Partner fails to meet the required conditions within the established time frames, the Partner will be referred for removal.

CTPAT Program

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